
A BILL FOR AN ACT

RELATING TO APPRAISALS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to require a real
2 estate appraiser to rely on the Uniform Standards of
3 Professional Appraisal Practice when acting as an appraiser or
4 an arbitrator in an arbitration proceeding.

5 SECTION 2. Section 466K-4, Hawaii Revised Statutes, is
6 amended by amending subsection (a) to read as follows:

7 "(a) No person may practice as a real estate appraiser in
8 this State unless that person has been licensed or certified to
9 practice in accordance with this chapter and rules adopted by
10 the director of commerce and consumer affairs pursuant to
11 chapter 91. All real estate appraisers who are licensed or
12 certified to practice in this State shall comply with the
13 current uniform standards of professional appraisal practice
14 approved by the director when performing appraisals in
15 connection with a federally or non-federally related real estate
16 transaction. A real estate appraiser shall comply with the
17 uniform standards of professional appraisal practice when acting
18 as an appraiser or as an arbitrator in an arbitration proceeding



1 to determine the fair market value or fair market rental of real
2 estate."

3 SECTION 3. Section 658A-19, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "~~[†]~~ §658A-19 ~~[‡]~~ Award. (a) An arbitrator shall make a
6 record of an award. The record shall be signed or otherwise
7 authenticated by any arbitrator who concurs with the award. The
8 arbitrator or the arbitration organization shall give notice of
9 the award, including a copy of the award, to each party to the
10 arbitration proceeding.

11 (b) In an arbitration proceeding to determine the fair
12 market value or fair market rental of real property where the
13 arbitrator is a real estate appraiser licensed under chapter
14 466K, the record of an award shall include but not be limited to
15 findings of fact, the appraiser's rationale for the award, and
16 information regarding the evidence which provided the basis for
17 the award.

18 ~~[(b)]~~ (c) An award shall be made within the time
19 specified by the agreement to arbitrate or, if not specified
20 therein, within the time ordered by the court. The court may
21 extend or the parties to the arbitration proceeding may agree in
22 a record to extend the time. The court or the parties may do so



1 within or after the time specified or ordered. A party waives
2 any objection that an award was not timely made unless the party
3 gives notice of the objection to the arbitrator before receiving
4 notice of the award."

5 SECTION 4. Section 658A-23, Hawaii Revised Statutes, is
6 amended by amending subsection (c) to read as follows:

7 "(c) If the court vacates an award on a ground other than
8 that set forth in subsection (a)(5), it may order a rehearing.
9 If the award is vacated on a ground stated in subsection (a)(1)
10 or (2), the rehearing shall be before a new arbitrator. If the
11 award is vacated on a ground stated in subsection (a)(3), (4),
12 or (6), the rehearing may be before the arbitrator who made the
13 award or the arbitrator's successor. The arbitrator shall
14 render the decision in the rehearing within the same time as
15 that provided in section [~~658A-19(b)~~] 658A-19(c) for an award."

16 SECTION 5. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 6. This Act shall take effect upon its approval.



Report Title:

Real Estate Appraisal Arbitration; Uniform Standards of Professional Appraisal Practice

Description:

Requires a real estate appraiser to rely on the Uniform Standards of Professional Appraisal Practice when acting as an appraiser or arbitrator in an arbitration proceeding. (SB771 HD1)

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